

Message Text

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PAGE 01 DOHA 00186 140509Z

ACTION NEA-10

INFO OCT-01 AF-08 ARA-06 EUR-12 EA-07 ISO-00 ERDA-05
AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 EB-08
FPC-01 H-01 INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01
PM-04 USIA-06 OES-06 SP-02 SS-15 STR-04 TRSE-00
ACDA-07 FEA-01 OPIC-03 /135 W
-----140516Z 030063 /17

R 131120Z FEB 77

FM AMEMBASSY DOHA

TO SECSTATE WASHDC 2308

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

USINT BAGHDAD

AMEMBASSY CARACAS

AMCONSUL DHAHRAN

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LIBREVILLE

AMEMBASSY LONDON

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY QUITO

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY VIENNA

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DEPT ALSO FOR NEA/ARP

E.O. 11652: N/A

TAGS: ENRG, QA

SUBJECT: JANUARY OIL PRODUCTION IN QATAR

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REF: DOHA 0183

SUMMARY: QATARI JANUARY OIL PRODUCTION DOWN BY 60 THOUSAND
BARRELS PER DAY. CAUSE OF DROP IN PRODUCTION SAID TO BE
INCLEMENT WEATHER AND ROUGH SEAS. END SUMMARY.

1. DURING JANUARY QATARI OIL PRODUCTION DROPPED TO 424,000 BARRELS PER DAY. SHELL QATAR DAILY AVERAGE WAS 214,000 BARRELS (DOWN 35,000 BPD FROM DECEMBER) AND DUKHAN PRODUCTION COMPANY--FORMERLY QPC--HAD DAILY AVERAGE OF 210,000 BPD (DOWN 25,000 BPD FROM DECEMBER).

2. ACCORDING TO PETROLEUM MINISTRY AND OIL INDUSTRY SOURCES, REASON FOR DECLINE IN PRODUCTION WAS THAT LOADING DIFFICULTIES WERE ENCOUNTERED DUE TO INCLEMENT WEATHER AND HIGH SEAS. DURING JANUARY LOADING WAS RESTRICTED FOR 24 DAYS AND COMPLETE SHUT-DOWNS WERE EXPERIENCED ON 20 DAYS. NO CRUDES WAS SHIPPED FROM QATAR DURING FIRST 12 DAYS OF 1977. PRODUCTION WAS CURTAILED WHEN LOCAL STORAGE FACILITIES WERE FILLED.

3. MINISTRY AND INDUSTRY SOURCES AGREE THAT TWO-TIER PRICE STRUCTURE NOT AFFECTING QATARI PRODUCTION. AS OF JAN 1, QATAR GENERAL PETROLEUM CORPORATION (QGPC) HAS HAD--THEORETICALLY--

200,000 BARRELS OF CRUDE TO MARKET EACH DAY. (SHELL NOW TAKES FIRST 145,000 BPD OF SHELL QATAR "ALLOWED PRODUCTION" OF 245,000 BPD, LEAVING 100,000 BPD TO BE MARKETING BY QGPC. SIMILARLY, FORMER QPC PARTNERS NOW TAKE FIRST 130,000 BPD OF DUKHAN PRODUCTION COMPANY "ALLOWED PRODUCTION" OF 230,000 BPD, LEAVING QGPC AN ADDITIONAL 100,000 BPD. PRIOR TO JAN 1 THE TWO PRODUCING COMPANIES WERE ALLOWED LARGER SHARES OF THEIR PRODUCTION AND QGPC HAD ONLY 149,000 BPD TO MARKET.) DUE TO JANUARY WEATHER DIFFICULTIES, QGPC COULD ONLY LOAD ABOUT 149,000 BPD, AND THUS ONLY MET OLD COMMITMENTS. QATARI CLAIM OF BEING ABLE TO SELL HIGH QUALITY AT TEN PERCENT LEVEL THEREFORE NOT TESTED.
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QGPC MARKETING DIRECTOR, DR. ALI AL KAWARI, MAINTAINS THAT IF AVAILABLE ALL OF 200,000 BPD WOULD HAVE BEEN SOLD. THIS IS CONFIRMED BY EMBASSY KNOWLEDGE THAT GULF OIL AND MITSUBISHI WERE IN AREA BIDDING FOR ANY AVAILABLE QATARI OIL. (IT APPEARS THAT MITSUBISHI IS CLOSE TO A DEAL FOR ANY EXCESS OIL AT QGPC DISPOSAL.)

4. MAJOR CUSTOMERS FOR QATARI OIL IN JANUARY WERE (IN DECREASING ORDER: SHELL, FORMER QATAR PETROLEUM COMPANY (QPC) PARTNERS, AMERADA HESS CORP., CHARTER OIL COMPANY, AND UNION REHEINISHE.

5. SHELL QATAR EXPECTS ITS PRODUCTITN TO INCREASE BY 50 PERCENT DURING LAST QUARTER OF CALENDAR 1977, IN WHICH PERIOD THIRD OFFSHORE PLATFORM EXPECTED TO COME INTO PRODUCTION. COMPANY NOW EVALUATING VARIOUS PROPOSALS FOR CONSTRUCTION OF PLATFORM AND AMERICAN COMPANY, SEDCO, HAS GOOD CHANCE OF WINNING CONTRACT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 13-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
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Format: TEL
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Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19770246/aaaaborj.tel
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Litigation History:
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TAGS: ENRG, QA
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